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8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
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11 K.L., a minor by and through his
12 guardian ad litem NIJAE McGHEE,
13 individually and as successor-in-interest
14 to KENNETH LEWIS JR.; KENNETH
15 LEWIS SR., individually; and
16 BELINDA MILLER, individually;

17 Plaintiffs,

18 vs.

19 COUNTY OF LOS ANGELES; RYAN
20 ROTHROCK, individually; and DOES
21 2-10, inclusive,

22 Defendants.
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Case No.: 2:18-cv-04910-CBM (SKx)

Hon. Consuelo B. Marshall
Hon. Magistrate Judge Steve Kim

**ORDER APPROVING
UNOPPOSED *EX PARTE*
APPLICATION FOR APPROVAL
OF COMPROMISE OF THE
CLAIMS OF THE MINOR
PLAINTIFF K.L. [58]**

ORDER

This Court, having considered Plaintiff K.L.'s Unopposed *Ex Parte* Application for Compromise of the Claims of the Minor Plaintiff K.L., and GOOD CAUSE appearing therefore, hereby GRANTS the Application and makes the following orders:

1. The settlement of minor plaintiff K.L.'s action against the Defendants in the net amount of \$353,650.61 is also hereby approved.

2. Defendant County of Los Angeles, through counsel, shall prepare and deliver the drafts for the gross settlement proceeds in the amount of \$1,025,000 payable as follows:

- a. A draft for \$671,349.39 shall be made payable to the "Law Offices of Dale K. Galipo, Client Trust Account." These funds shall be used to satisfy (1) the attorneys' fees owed to the Law Offices of Dale K. Galipo in the amount of \$410,000; (2) costs owed to Plaintiffs' attorneys in the amount of \$10,853.65; and (3) the net settlement amounts to Plaintiffs Belinda Miller and Kenneth Lewis, Sr.
- b. Defendant County of Los Angeles will purchase a structured annuity for the minor Plaintiff K.L. in the amount of \$353,650.61 from Pacific Life & Annuity Services Inc. (hereinafter referred to as "Assignee"), which will provide periodic payments to be made by Pacific Life Insurance Company (hereinafter referred to as "Annuity Carrier") rated A+ Class XV by A.M. Best Company as set forth in "Exhibit A" to the Declaration of Hang D. Le and in the table below. The total amount that K.L. will receive after the final payment is made directly to him from the annuity is \$627,150.

c. Defendant County of Los Angeles will deliver the annuity premium check to Plaintiff K.L.'s structured settlement company, Melissa Baldwin Settlements, to fund the annuity.

5. Annuity Carrier shall provide periodic payments in accordance with "Exhibit A" to the Declaration of Hang D. Le and as set forth in the table below.

6. All sums and periodic payments set forth in the section entitled "Payments" constitute damages on account of personal injuries or illness, arising from an occurrence, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended.

7. Prior to K.L. reaching the age of majority, disbursement drafts will be made payable and issued to K.L.'s parent and natural guardian, Nijae McGee, according to the payment schedule. Disbursement drafts will be made payable and will begin being issued directly to K.L. upon reaching the age of maturity according to the payment schedule.

Periodic payments payable to Nijae McGee, as Parent and Natural Guardian of the Minor K.L.

\$400	Payable Monthly, guaranteed for 14 years and 8 months only, commencing on 10/01/2020, with the last payment on 05/01/2035
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Periodic Payments payable to K.L.

\$20,000	Lump Sum Payment on 05/08/2035
\$30,000	Lump Sum Payment on 05/08/2038
\$40,000	Lump Sum Payment on 05/08/2041
\$50,000	Lump Sum Payment on 05/08/2044

1	\$125,000	Lump Sum Payment on 05/08/2047
2	\$292,100	Lump Sum Payment on 05/08/2052

10. Defendant County of Los Angeles will make a “qualified assignment” within the meaning of Section 130(c), of the Internal Revenue code of 1986, as amended, to Assignee, of the Defendant County of Los Angeles’s liability to make the periodic payments as described in the above table and in “Exhibit A” to the Declaration of Hang D. Le filed concurrently herewith. Such assignment, if made, shall be accepted by the Plaintiff without right of rejection and shall completely release and discharge Defendant County of Los Angeles from such obligations hereunder as are assigned to Assignee. This includes that Defendant County of Los Angeles shall execute a Qualified Assignment document.

11. Defendant County of Los Angeles and/or Assignee shall have the right to fund its liability to make periodic payments by purchasing a “qualified funding asset,” within the meaning of Section 130(d) of the Code, in the form of an annuity policy from the Annuity Carrier.

12. Assignee shall be the owner of the annuity policy or policies, and shall have all rights of ownership.

13. The Assignee will have the Annuity Carrier mail payments directly to the Plaintiff K.L., as set forth above. Nijae McGee (until K.L. reaches the age of the majority) and then K.L. shall be responsible for maintaining the currency of the proper mailing address and mortality information to Assignee.

IT IS SO ORDERED.

Dated: MAY 19, 2020

CC: FISCAL



Honorable Consuelo B. Marshall
United States District Judge
Central District of California